

New Legislation

County Treasurers'
Conference
August 2010

HEA 1336-PL 115

- Investment of Public Funds
- Amends IC 5-13-9-2
- Adds investment in municipal securities
 - issued by an Indiana local governmental entity, a quasi-governmental entity related to the state, or a unit of government, municipal corporation, or special taxing district in Indiana
 - Issuer cannot have defaulted on any of the issuer's obligations within the 20 year preceding the date of purchase
- Effective July 1, 2010

HEA 1336-PL 115 (Continued)

- Amends IC 5-13-9-2.5
- Money Market Funds
- Deletes requirement that may not exceed 50% of funds held available for investment.
- Effective Upon Passage

HEA 1336-PL 115 (Continued)

- Amends IC 5-13-9-4 and IC 5-13-9-5
- CDs
- Obtain quotes
- If deposit is not placed in designated depository quoting highest rate of interest
 - Investing officer shall place in depository quoting the second or third highest rate of interest; and
 - Note the reason on the memorandum of quotes
- Effective Upon Passage

HEA 1336-PL 115 (Continued)

- Adds IC 5-13-9-5.3
- Effective July 1, 2010
- In addition to IC 5-13-9-5, the county commissioners may by ordinance authorize the investing officer to invest public funds in CDs with the following conditions:
 - The funds are initially invested through a depository that is selected by the investing officer.
 - The selected depository arranges for the deposit of the funds in certificates of deposit in one (1) or more federally insured banks or savings and loan associations, wherever located, for the account of the county or political subdivision.

HEA 1336-PL 115 (Continued)

- The full amount of the principal and any accrued interest of each certificate of deposit are covered by insurance of any federal deposit insurance agency.
- The selected depository acts as a custodian for the county or political subdivision with respect to the certificates of deposit issued for its account.
- At the same time that the county's or political subdivision's funds are deposited and the certificates of deposit are issued, the selected depository receives an amount of deposits covered by insurance of any federal deposit insurance agency from customers of other institutions, wherever located, at least equal to the amount of the funds invested by the county or political subdivision through the selected depository.

HEA 1336-PL 115 (Continued)

- Amends IC 5-13-9-10
- Joint Investments by 2 or more political subdivisions located within a county
- Joint investment fund may be invested or reinvested only in investments that are permitted for political subdivisions by this chapter.
- Effective July 1, 2010

HEA 1336-PL 115 (Continued)

- Amends IC 5-13-9.5-1
- Added condition under which a financial institution is ineligible to become a depository and receive public funds of the state
- If the institution has been found by the department of financial institutions under IC 28-1-2-40, or the financial institution's primary federal regulator, to not be in substantial compliance with the federal Credit Card Accountability Responsibility and Disclosure Act of 2009 as it applies to Indiana borrowers.
- Effective July 1, 2010

HEA 1183-PL 73

- Amends IC 6-1.1-24-1
- Effective on passage
- Lists of real property eligible to be sold at tax sale
- On or after January 1 of each calendar year in which a tax sale will be held in a county and not later than 51 days after the first tax payment due date in that calendar year, the county treasurer...shall certify to the county auditor a list of real property...

HEA 1183-PL 73 (Continued)

- Amends IC 6-1.1-24-7: Effective July 1, 2010
- Before tax sale surplus may be paid to:
 - Owner of record at time a tax deed issued but who acquired property from delinquent taxpayer after it was sold at tax sale; or
 - A person who is not the owner of record on the date tax deed is issued
- Direction of court having jurisdiction over the tax sale of the parcel required for which claim is made and may direct issuance of warrant only
 - On petition by claimant; and
 - Within 3 years after the date of sale of parcel in tax sale

HEA 1183-PL 73 (Continued)

- Amends IC 6-1.1-24-6.1: Effective July 1, 2010
- Addition to the published notice of sales of tax sale certificates
- The statement of what a person redeeming each tract or item of real property after the sale of the certificate must pay must now include
 - all cost of sale, advertising costs and other expenses of the county directly attributable to the sale of the certificates of sale
- Amends IC 6-1.1-24-9: Effective July 1, 2010 to allow county executive to assign a certificate of sale held in the executives name to assign to any political subdivision. Period for redemption is 120 days after assignment.

HEA 1183-PL 73 (Continued)

- Adds IC 32-29-7-8.5: Effective July 1, 2010
- Foreclosure (Sheriff's) Sales – Effective July 1, 2010 - Requires the party that filed the praecipe for the sheriff's sale to pay the following prior to the date of the sheriff's sale:
 - (1) If a certificate of sale from a tax sale is outstanding, the amount necessary for redemption of the property and all delinquent property taxes, special assessments, penalties, and interest that are not covered by the redemption and are due and owing on the property on the date of the sheriff's sale;

HEA 1183-PL 73 (Continued)

- (2) If number (1) does not apply, all delinquent property taxes, special assessments, penalties, and interest that are due and owing on the property on the date of the sheriff's sale.
- If payments are not made in full by the date of the sale, the sheriff shall cancel the sheriff's sale and may conduct the sheriff sale only upon evidence that the payments required have been made in full and subsequent praecipe is filed, costs are paid, and the sheriff's sale is advertised.

HEA 1059-PL 89

- Amends IC 5-13-6-3 and IC 6-1.1-27-1: Effective July 1, 2010
- Property Tax Advances
- If any county treasurer or auditor refuses, neglects, or fails to distribute within 30 days a properly requested property tax advance, the political subdivision that was to receive the advance may recover interest. The amount of interest to be paid equals the taxing units proportionate share of the actual amount of interest that is received from investments of the undistributed tax money from the date the county treasurer receives the taxing unit's request for funds to the date the tax money is distributed

HEA 1324-PL 98

- Adds IC 6-1.1-24-6.8: Effective July 1, 2010
- Tax Sale of Vacant Property
- Allows a county legislative body to establish by ordinance criteria for identification of vacant parcels to be offered for sale.
- Vacant parcels eligible for sale must:
 - have a county lien from a prior tax sale;
 - be unimproved on the date the parcel is offered for sale;
 - be eligible for construction of a residence under the law;
 - be contiguous to at least one parcel that
 - has an occupied residential structure or
 - a structure used in conjunction with an occupied residential structure
 - be eligible for a homestead standard deduction.

HEA 1324-PL 98 (Continued)

- County executive, by resolution, identifies each parcel to sale and provides notice to the owners of the aforementioned contiguous parcel or parcels
- The notice must contain at least the following:
 - (1) the legal description of the vacant parcel and the parcel number or the street address or both;
 - (2) notice that the county executive will accept applications for purchase of the vacant parcel from contiguous parcel owners;
 - (3) notice of the deadline for filing the application and the information that must be included in the application;
 - (4) notice that the vacant parcel will be sold to the successful applicant for \$1; and
 - (5) notice of the property tax exemption provided to the successful applicant.

HEA 1324-PL 98 (Continued)

- To be eligible, contiguous parcel owners file a written application with the county executive
- The application must identify the vacant parcel the applicant wants to purchase and include any other information required by the county executive.
- If there are multiple eligible applicants for the same parcel, the county executive must conduct a drawing in which each applicant has an equal chance to be selected.
- The county executive must make a final determination concerning the vacant parcels to be sold by resolution.
- After the final determination, the county executive shall cause all delinquent taxes, special assessments, penalties, interest and costs of sale to be removed from the vacant parcel and give notice to the successful applicant; the county auditor; and the township assessor (county assessor if there is no township assessor).

HEA 1324-PL 98 (Continued)

- County auditor collects purchase price from successful applicant
- Prepares a deed transferring the vacant parcel to the purchaser. The deed must reference the tax exemption for the vacant parcel.
- The township assessor or county assessor must consolidate each vacant parcel sold with the contiguous parcel owned by the successful applicant into a single parcel.
- Each consolidated parcel is entitled to a time-limited exemption from property taxation beginning on the assessment date that next succeeds the consolidation in the amount of the assessed value of the vacant parcel at the time of consolidation.
- The tax exemption terminates as of the assessment date that next succeeds the earlier of 5 years after transfer of title or the first transfer of title to the consolidated parcel that occurs after consolidation.

HEA 1086-PL 113

- Amends IC 6-1.1-5-5.5: Effective July 1, 2011
- Property Taxes
- States before the county auditor may enter or transfer real property that is partitioned or combined on the last assessment list, enter lots or parcels described in a plat, consolidate contiguous parcels or apportion assessed value of the real property among the owners, the owner must pay or otherwise satisfy all property taxes for which the due date has passed as of the date of transfer on each of the parcels or real property from which the platted, consolidated, or transferred property is derived.

HEA 1086-PL 113(Continued)

- Amends IC 6-1.1-24-1 and IC 6-1.1-24-1.2
- Effective July 1, 2011
- To clarify that an item of real property may not be removed from the list certified for tax sale unless all: delinquent taxes and special assessments, due before the date the list was certified; and penalties, interest, and costs directly attributable to the tax sale are paid in full. A county treasurer may accept partial payments. However, a partial payment does not remove a tract from the list certified for tax sale.

HEA 1086-PL 113(Continued)

- Adds IC 6-3.5-1.1-1.5, IC 6-3.5-6-1.5, and IC 6-3.5-7-4.9
- Effective Upon Passage
- CAGIT, COIT, AND CEDIT
- allows the adoption of an ordinance to: (1) impose, increase, decrease, or rescind a tax or tax rate; or (2) grant, increase, decrease, rescind or change a homestead credit or property tax replacement credit; to take place any time in a year prior to November 1 of that year. An ordinance that imposes or increases a tax rate takes effect as follows:
 - (1) If adopted January 1 through September 30, the ordinance takes effect October 1 of the current year;
 - (2) If adopted October 1 through October 15, the ordinance takes effect November 1 of the current year;
 - (3) If adopted October 16 through October 31, the ordinance takes effect December 1 of the current year.

HEA 1086-PL 113(Continued)

- An ordinance that decreases or rescinds a tax or tax rate takes effect as follows:
- (1) If adopted January 1 through September 30, the ordinance takes effect the later of October 1 or the first day of the month in the current year as the month in which the last increase in the tax occurred;
- (2) If adopted October 1 through October 15, the ordinance takes effect the later of November 1 or the first day of the month in the current year as the month in which the last increase in the tax occurred;
- (3) If adopted October 16 through October 31, the ordinance takes effect the later of December 1 or the first day of the month in the current year as the month in which the last increase in the tax occurred.

HEA 1086-PL 113(Continued)

- An ordinance that grants, increases, decreases, rescinds, or changes a homestead credit or property tax replacement credit from CAGIT, COIT or CEDIT takes effect and applies to property taxes first due and payable in the year immediately following the year in which the ordinance is adopted.

HEA 1061– PL 45

- IC 36-2-7-19 added
- Each county legislative body is to establish a county elected officials training fund before July 1, 2011.
- The fiscal body will appropriate money from the fund
- The money does not revert to the general fund
- It is to be used to provide the training of county elected officials required under IC 36-2-11-2.5 (county recorders), IC 36-2-12-2.5 (county surveyors), and other similar laws
- The sources for the fund are:
 - The 50 cents from the county identification security protection fee
 - Any other sources required or permitted by law
